
MEMORANDUM

To: City of Beaumont
From: Townsend Public Affairs
Date: July 31, 2020
Subject: Legislative Report for the City of Beaumont

State Legislative Update

In July, the Governor continued his regular press briefings to update the State on the latest information regarding COVID-19. Among other things, Governor Newsom took action to reduce indoor operations for certain sectors, announced a major purchase of personal protective equipment (PPE), and outlined a pandemic plan for the 2020-21 school year.

The Legislature is entering the final month of the 2020 legislative session. The last day of session is August 31 when members will return to their districts in preparation of the November election. The Legislature was originally scheduled to return to the Capitol on July 13, but Assemblymember Autumn Burke (D-Inglewood) announced that she tested positive for COVID-19 and was in self-quarantine. Earlier in the month, Assemblymember Tom Lackey (R-Palmdale) had also tested positive and was hospitalized after contracting the virus. Additionally, several staff members have also tested positive for COVID-19, and as a result, Assembly and Senate Leadership postponed the Legislature's return to July 27.

Since members have returned to the Capitol, there have been discussions regarding the remaining 740 bills that are still active in both houses. Members were told to reduce their bill packages to allow for priority legislation to be considered under the new timeline. Assembly Speaker Rendon also announced the delay of all Assembly hearings on July 29 due to the imbalance of bills yet to be considered in both houses. TPA has learned that Assembly and Senate Leaders are discussing the possibility of a special legislative session with the Administration, however, any decisions will likely depend on the growing number of COVID-19 cases throughout the state.

Below are the upcoming deadlines for the Legislature:

August 15 – Last day for policy committees to meet and report bills
August 21 – Last day for fiscal committees to meet and report bills
August 24-31 – Senate floor session
August 26 – Last day to amend bills on the floor (Senate)
August 31 – Last day for each house to pass bills

Governor's COVID-19 Action Summary

Below is a summary of the major COVID-19 actions taken by the State Administration in July:

- **July 17 – School Re-Opening:** Governor Newsom announced his plan for learning and safe schools ahead of the 2020–2021 school year, as the California Department of Public Health issued a framework for when and how schools should reopen for in-person instruction.
- **July 16 – Project Roomkey/Homekey:** Governor Newsom announced the availability of \$600 million in funding for Homekey, the next phase in the state's response protecting Californians experiencing homelessness who are at high risk for serious illness from COVID-19.
- **July 2 – Mask Campaign:** The state launched "Wear A Mask" public awareness campaign encouraging Californians to use face coverings. The Administration has stated that this is one of the best ways people can protect themselves and others from the virus.
- **July 1 – Stay at Home Order:** Governor Newsom announced that certain sectors are being ordered to close indoor operations, due to the increased likelihood of spread and the ability to mitigate that spread. These closures are to go into effect immediately in the 19 counties that are on the County Monitoring List.

Legislature Announces State Economic Stimulus Package

On July 27, key members of the Legislature introduced the outline of a \$100 billion economic stimulus plan. The plan will prioritize economic recovery efforts to build on the Legislature's work on the State Budget. The Assembly and Senate have appointed economic recovery working groups led by Senators Bob Hertzberg (D-Van Nuys) and Steven Bradford (D-Gardena), and Assemblymembers Phil Ting (D-San Francisco) and Jacqui Irwin (D-Thousand Oaks). The stimulus plan aims to raise \$100 billion through a new tax voucher program and the acceleration of existing revenue streams. The plan includes the following relevant provisions:

State Revenues

- Authorize State Treasurer to issue future tax vouchers to generate billions of revenues for general economic stimulus efforts.
- Securitization of current revenue streams, including:
 - Accelerate SB 1 transportation funds to create jobs and improve key roads and highways.
 - Accelerate existing California Public Utilities Commission (CPUC) revenue streams that will expand broadband services throughout the state to benefit distance learning and other activities.
 - Accelerate future Cap and Trade funds to backfill lost revenues due to the downturn and ensure critical programs remain funded.
- Accelerate authorized, but unused, general obligation bonds to generate bond funds to infrastructure projects.
- Borrow from the federal government to bolster state unemployment insurance programs.

Small Businesses

- Expand small business tax breaks, such as extending the sales tax loan program.
- Streamline the Work Sharing program administered by EDD.
- Incentivize on-shore manufacturing of PPE, ventilators, swabs and other products critical to the COVID-19 response, including expansion of workforce retraining programs.

Protections for Individuals; Housing and Homelessness Funding

- Fill gaps in Unemployment Insurance, including extending to undocumented workers, shortfalls resulting from if the federal government does not extend the \$600 per week payment
- Increase affordable housing supply by helping homeowners access financing to build ADUs.
- Protect renters from eviction and support struggling homeowners and landlords.
- Augment Budget Act appropriations for local governments to combat homelessness and provide incentives for local governments to build housing on non-traditional sites.

Environment Funding

- Invest in wildfire prevention and vegetation management activities.
- Improve clean water delivery and recycling infrastructure.
- Create a dedicated fund to incentivize light and heavy-duty, including passenger clean vehicles, as well as expedite and expand electric vehicle charging infrastructure projects.
- Streamline the CEQA through targeted, and limited, use of the AB 900 process – including for housing – to ensure environmental leadership projects get built.

The Legislature is currently seeking input from the Newsom Administration on the economic plan, and the Legislature is aiming to adopt the recovery plan before the August 31 legislative deadline.

Housing Legislation

While both the Assembly and Senate Leadership have asked members to reduce the number of bills to be considered for the remainder of this year, housing continues to be at the forefront of the Legislature's agenda. On July 28, the Assembly Housing and Community Development Committee met to consider 10 housing bills. Below is a summary of the relevant legislation that passed and has been referred to the Appropriations Committee:

- *SB 795 (Beall): Economic development: housing: workforce development: climate change infrastructure*
 - This bill allocates \$10 billion over five years to several existing housing, homelessness, and pre-apprenticeship programs, as well as creating two new infrastructure financing programs at the Governor's Office of Business and Economic Development (Go-Biz).
- *SB 899 (Wiener): Planning and zoning: housing development: higher education institutions, nonprofit hospitals, or religious institutions*
 - This bill provides that housing is a use by right on land owned by a religious institution, nonprofit hospital, or nonprofit college, as specified.

- *SB 1138 (Wiener): Housing element: emergency shelters: rezoning of sites*
 - This bill makes changes to housing element law with regards to where shelters may be zoned, as specified. This bill also requires localities that fail to adopt a legally compliant housing element within 120 days of the statutory deadline, to complete a rezone program within one year instead of the current three-year requirement.
- *SB 1299 (Portantino): Housing development: incentives: rezoning of idle retail sites*
 - This bill requires the California Housing and Community Development Department (HCD) to administer a program to provide grants to local governments that rezone idle sites used for a big box commercial shopping center to instead allow the development of workforce housing, as defined.

Similarly, the Senate Housing Committee is set to meet on August 6 and will consider 16 housing bills. A summary of the relevant legislation to be considered is below:

- *AB 725 (Wicks): General plans: housing element: moderate-income and above moderate-income housing: suburban and metropolitan jurisdictions.*
 - Amends Housing Element law to require certain jurisdictions to zone for multi-family moderate and above-moderate income housing.
- *AB 1279 (Bloom): Planning and zoning: housing development: high-opportunity areas*
 - Requires certain development sites in high resource areas to allow for more density and height and makes these sites subject to "use by-right" approval.
- *AB 2345 (Gonzalez): Planning and zoning: density bonuses: annual report: affordable housing*
 - Revises Density Bonus Law to increase the maximum allowable density and the number of concessions and incentives a developer can seek.
- *AB 3040 (Chiu): Local planning: regional housing need assessment.*
 - Allows cities and counties to receive a specified credit towards meeting their Regional Housing Needs Allocation (RHNA) for rezoning single-family neighborhoods to allow four units per parcel.
- *AB 3107 (Bloom): Planning and zoning: commercial zoning: housing development.*
 - Makes housing an authorized use on commercially zoned land.
- *AB 3269 (Chiu): State and local agencies: homelessness plan.*
 - Creates the Office of the Housing and Homelessness Inspector General to provide accountability for state and local actions to address homelessness, imposes new requirements on local governments to develop actionable plans to address homelessness, and creates a public right of action for the Inspector General to compel compliance with those new plans.

TPA will continue to advocate on behalf of the City as the Legislature considers these housing measures for the remainder of the 2020 legislative session.

Water Resiliency Portfolio

As a follow-up to Governor Newsom's April 2019 Executive Order that directed State agencies to plan and prepare for statewide water shortages, the Governor announced a finalized Water Resiliency Portfolio that will direct future State water policies. The plan prioritizes safe drinking water, groundwater recharge, healthy waterways, and the Salton Sea.

The plan also outlines nearly 150 state actions to help build a more climate-resilient system as the State responds to the impacts of climate change. The portfolio also guides policy regarding the long-term functionality of the State Water Project and other conveyance infrastructure.

In January 2020, the California Natural Resources Agency, Environmental Protection Agency, and Department of Food and Agriculture released a draft version of the portfolio for public feedback. More than 200 individuals responded with comments which resulted in 14 new actions reflected in the portfolio, including addressing upper watershed health and cross-border water issues.

Lastly, the plan recognizes the current State budget and recognizes that the pace of these policy priorities will be dependent on future funding. TPA will continue to provide updates regarding relevant State water policy so the City is kept abreast of potential impacts on the regional water system or any changes in water rates for residents.

Federal Legislative Update

July was dominated by discussions and disagreements over the next coronavirus relief package, as cases continue to rise dramatically nationwide and the U.S. economic situation worsens. Congress made progress on the next package, but is still not near a finalized bill, as many provisions, including federal supplements for unemployment insurance, ran out at the end of July. The "Phase 3" legislation, the "CARES Act," was finalized in March.

Coronavirus Aid Packages

In July, Senate Republicans introduced their long-awaited proposal for a Phase 4 of coronavirus aid, called the "HEALS Act." This legislation has not been negotiated with Democrats, and is a response to the House Democrats' "HEROES Act," a long package full of Democrats' priorities that the House introduced and passed in May.

The "HEALS Act" contains provisions that would do the following:

- Free up eligible uses for existing Coronavirus Relief Fund money to cover revenue loss (though no additional state and local funding in this area)
- Add an additional round of stimulus payments, using the same formula as in the CARES Act
- Reduce weekly unemployment benefits for two months while states convert to a system to pay 70% of a person's last wages
- Implement liability protections for nearly all organizations and employers
- Implement new business tax breaks
- Extend the Paycheck Protection Program, add the ability to apply again, and create new small business loan programs

- Overhaul the student loan system and provides new education funding, much of which is dependent on reopening for in-person instruction
- Appropriate additional health care and vaccine funds
- Appropriate additional emergency funding for some line items, including rental assistance, fire departments, child care, the census, airports

With the Introduction of the “HEALS Act,” bipartisan negotiations were expected to begin in earnest; however, by the end of July, Congressional leaders from both parties and Administration officials acknowledged that the two sides remain far apart, and negotiations on the next relief package continue.

In a major pivot from stalled Phase 4 talks, Republican senators introduced several standalone bills roughly based on the GOP Phase 4 proposal to extend specific expiring or lapsed provisions. Sens. Bill Cassidy (R-LA), Steve Daines (R-MT), Mitt Romney (R-UT) and Marco Rubio (R-FL) introduced legislation that would provide \$1,000 in direct payments to all Americans with a Social Security number, subject to income limits. The bill by would provide a family of four with \$4,000. Sens. Mitt Romney (R-UT), Susan Collins (R-ME) and Martha McSally (R-AZ) introduced legislation to permit states to choose one of two options for federal unemployment insurance benefits: an immediate 80% wage replacement, or a declining amount of \$500 per week in August, \$400 per week in September, or \$300 per week in October. So far, Democrats have not been inclined to support stopgap extensions, preferring to continue to negotiate a Phase 4 agreement.

Policing Bills

Despite momentum in June, Congress reached a stalemate in July on police reform bills, as both chambers refused to take up each other’s proposals. Reports indicate that the two bill sponsors, Congresswoman Karen Bass (D-CA) and Senator Tim Scott (R-SC), are communicating behind the scenes on a path forward. Meanwhile, House Democrats have started to add several police reform provisions to other bills, including a provision to limit transfer of military weapons to local law enforcement in a defense policy bill, and several provisions to limit aggressive police tactics in the appropriations packages.

DACA

In July, rumors abounded that President Trump would refile paperwork to end the Deferred Action for Childhood Arrivals (DACA) program again, after a Supreme Court case indicated the Administration hadn’t provided adequate justification when it attempted to end the program in 2017. However, that never came to pass in July, raising suspicion that the Administration may end the program in the coming months.

This month a federal judge ordered DACA to be restored to its full status and begin accepting new DACA applications. As of writing, the Administration has not yet complied with this order. However, it has agreed to let some DACA recipients extend their protections, as long as they don’t have a criminal record. Reportedly the Administration will consider the renewals on a “case by case” basis.

Public Charge

On July 29, a New York federal judge blocked the Trump administration from implementing the public charge rule, frequently described as a wealth test for immigrants. The judge said it would

be blocked as long as the national health emergency stemming from the coronavirus pandemic remains in effect.

The judge said that the states and nonprofits challenging the public charge rule had provided "ample evidence" that the policy deters immigrants from seeking out COVID-19 testing and could threaten efforts to curb the spread of the disease. The federal government will almost certainly appeal this decision, but for now the decision stands.

Census

In July, President Trump just signed an Apportionment Memorandum to exclude undocumented immigrants from census population counts.

As you will recall, in June 2019, the Supreme Court blocked an effort to include a question on citizenship in the census, ruling it a violation of the constitution's enumeration clause, which mandates Congressional representation, but sent it back to a district court for further deliberation. The Administration ended its effort to pursue the citizenship question through the courts last July due to printing deadlines, but Trump vowed to find work-arounds.

The 14th Amendment states that the Census must count the "whole number of persons in each state" for Congressional representation, which includes undocumented immigrants.

The order cites estimates that "one state" (apparently referring to California) has more than 2.2 million illegal immigrants, six percent of its population. It argues that, as a result, including illegal immigrants in the population for apportionment could result in the allocation of two or three more congressional seats than if they were not included.

Housing Legislation

In July, Senator Kamala Harris (D-CA) introduced a sweeping housing plan in the "Rent Emergencies Leave Impacts on Evicted Families (RELIEF) Act."

The bill would give struggling renters and homeowners relief from economic impacts of the coronavirus. It would ban evictions and foreclosures for a year while giving tenants up to 18 months to pay back missed payments. The current federal ban on evictions — which only covers the roughly 1 in 4 rental units in the country with a federally backed mortgage — expires July 24.

The bill would also bar landlords from raising tenants' rent or reporting unpaid rent to credit reporting companies for a year and prohibit utility companies from shutting off access until January 2022. It would prohibit the use of Paycheck Protection Program funds to purchase foreclosed or distressed properties and directs the Congressional Oversight Commission established by the CARES Act to monitor property management companies that received PPP loans. It would permanently bolster tenants' legal protections, establishing a right to legal assistance for those facing eviction and providing state attorneys general with subpoena power in landlord investigations.

This bill was introduced days from the Senate Republicans' rumored \$1 trillion Phase 4 proposal. It is positioned to be on the table as negotiations between McConnell and Pelosi begin.

Fair Housing Rule

On July 23, Trump Administration officially repealed an Obama-era rule requiring communities receiving federal housing grants to take steps to eliminate housing segregation, and replaced it with a standard that would allow municipalities to self-certify their efforts.

HUD announced the termination of the 2015 rule, which it called “complicated, costly, and ineffective.” The new final rule isn’t open for public comment because HUD obtained a waiver from the Office of Management and Budget that exempts rules related to grants from Administrative Procedure Act requirements. Since the new rule did not go through the regular notice and comment procedures, it could face legal challenges from states and fair housing groups, even if it’s likely to survive a legal challenge.

As a reminder, the Obama-era rule required that any community that gets federal block grants from HUD to complete a comprehensive Assessment of Fair Housing. A poor review could have led to reductions in those block grants, potentially costing communities billions of dollars in withheld funds if they did not put in place an effective anti-segregation plan.

HUD’s new rule, called “Preserving Community and Neighborhood Choice,” changes the definition of fair housing to be “affordable, safe, decent, free of unlawful discrimination and accessible under civil rights law.” Any community would have access to federal housing grants if it self-certifies that it has gone above statutory minimums on any of those factors. HUD would still be able to terminate funding if it discovers that a community has not lived up to that self-certification.

Child Care

On July 29, the House voted to expand assistance for child care providers. The “Child Care Is Essential Act” (H.R. 7027), introduced by Congresswoman Rosa DeLauro (D-CT), was passed by a 249-163 vote. The “Child Care for Economic Recovery Act” (H.R. 7327), introduced by Congresswoman Nita Lowey (D-NY), advanced by a 250-161 vote.

H.R. 7027 gives providers the \$50 billion in funding to weather the public health emergency. H.R. 7327 provides \$10 billion in emergency funding for infrastructure grants to help providers make health and safety modifications to their facilities, plus another \$10 billion each year to further child-care entitlements to states through fiscal 2024. H.R. 7327, also would expand flexible spending accounts dealing with dependent care, give child care providers a refundable payroll tax credit, and expand the employee retention tax credit to encourage employers to keep child care workers employed.

This emergency legislation is in the jurisdiction of multiple House committees. However, in light of the importance of these bills, and the strong support they have among Committee members, they are bypassing normal Committee approval processes and are being sent straight to the floor for consideration before the entire House.

Similar legislation was introduced earlier this month in the Senate. Senators Joni Ernst (R-IA) and Lamar Alexander (R-TN) jointly unveiled their own child-care proposal with the “Back to Work Child Care Grants Act” (S. 4221). Their proposal would provide nine months of financial assistance for child-care providers to open.

Now that both House bills have passed, Democratic leaders want their legislation to be incorporated into a future COVID-19 stimulus package. Lawmakers from both parties have expressed concern about the need to boost aid for child-care providers during the pandemic, but

key differences remain over the appropriate price tag in the next relief package. We will continue to watch this legislation as it navigates Congress negotiations. If you have any questions, please feel free to reach out.

Water Infrastructure

The Senate Energy and Natural Resources' Water and Power Subcommittee introduced a water infrastructure package to address the need for more federal action to combat drought conditions in Western states, including deploying technological advances to better increase water supplies.

The bills that would be a part of the water package seek to address water shortages or to expand water grants to a broader array of outside groups. They include:

- “America’s Water Infrastructure Act”: Reauthorizes Clean Water State Revolving Loan Funds as well as WIFIA funds.
- “Drinking Water Infrastructure Act”: Reauthorizes programs under the Safe Drinking Water Act, primarily grants for cleaning drinking water from emerging contaminants, particularly per- and polyfluoroalkyl substances (PFAS)
- “Western Water Security Act”: Expands WaterSMART grant eligibility to nongovernmental organizations, tribes, and other groups
- “Restoration of Essential Conveyance Act”: Authorizes \$600 million in federal funding for three projects to repair California’s water delivery system
- “Water for Tomorrow Act”: Establishes a financing program to fund water infrastructure projects including storage, transport, desalination projects, and stormwater capture projects; also establishes a grant program to help disadvantaged communities facing declines in drinking water quality or quantity
- “Water for Conservation and Farming Act”: Establishes a fund within the Bureau of Reclamation for water reuse, conservation, and other purposes
- “Water-Energy Technology Demonstration and Deployment Act”: Provides for the demonstration and deployment of water-energy technologies.

The objective of this package is to combine some of the measures currently before the Subcommittee with other water bills that have already moved through Committee as a whole. The package has not yet moved out of committee.